



CITY COUNCIL

Finance Committee

Meeting Report Monday, December 17, 2012

Committee Members Attending: D. Reed, Chair, R. Corcoran, Vice Chair, D. Sterner

Others Attending: C. Snyder, D. Cituk, C. Younger, C. Zale, L. Kelleher, M. Kantner, M. Bembenick, B. Rivera

Ms. Reed called the Finance Committee meeting to order at approximately 4:05 pm.

Legislation Review

Ms. Reed began with Bill No. 107.

Mr. Corcoran stated that perhaps the legislation issue should be set aside for the Committee of the Whole where more members of council will be in attendance.

Ms. Reed agreed, as did Mr. Sterner.

Mr. Bembenick requested they go over the handout he presented on Thresholds and Delegations. He asked council if their concern is more about the spending limits or the actual procurement of services.

Ms. Reed stated that she is concerned about both; moreover, in terms of protection of the Managing Director.

Mr. Sterner agreed and stated that he believes that in protecting the Managing Director, it puts the accountability onto council.

Mr. Corcoran agreed with both Ms. Reed and Mr. Sterner.

Ms. Reed mentioned her appreciation of Ms. Snyder's loyalty and dedication in her role as

Managing Director and commended her outstanding duties.

Mr. Bembenick stated that they are trying to bring procurement into the 21st century. His concern is in going to a “zero-dollar” threshold which would not only put us outside of state regulations but also would create problems with the completion of the process in a timely manner.

Mr. Sterner stated that he would not agree to the “zero” threshold as he doesn’t feel comfortable with that; however, he is in agreement with the \$10,000 threshold.

Ms. Reed expressed her concern as being the possibility of egregious actions going into the New Year. She would be more inclined to implement the \$10,000 threshold now so as to not create any ‘surprises’ in January.

Mr. Sterner asked Mr. Bembenick if he foresees any problems putting into action the \$10,000 threshold.

Mr. Bembenick stated that he didn’t believe there would be major issues with doing so; however, he would feel more confident looking at what everything entails in total.

Ms. Snyder indicated that what will be different in 2013 is that most contracted services have been drastically cut.

Ms. Reed asked Mr. Bembenick how quickly this can be composed.

Mr. Bembenick stated that it could be possible to have this completed by mid-January.

Ms. Snyder asked Mr. Bembenick if he could have this by the first council meeting in January.

Mr. Bembenick stated that he could have that date as a tentative completion date and would keep council apprised of the progress being made should they run into unforeseeable complications.

At this time, V. Spencer entered the room. (4:20pm)

2013 Finance Meeting Topics

- **Land Value Tax**

Ms. Reed asked Mr. Cituk his thoughts on the Land Value Tax.

Mr. Cituk stated that he is hopeful that this year we can explore, investigate and edit early in the year so that we do not run into issues at the last minute.

Ms. Reed stated that a presentation on this topic will occur at the February work session.

Mr. Spencer stated that he felt nobody wanted to address this issue in January of last year; therefore, it was continually put aside.

- **Library Funding**

Mr. Sterner stated that his major concern is the funding to the Library. He asked if we could put this as a referendum on the ballot this year as a “Dedicated Library Tax” or something similar to finance the library.

Ms. Kelleher mentioned that it can be stated as a non-binding general question on the ballot such as “Would you support a Library Tax?”

Mr. Spencer acknowledged that the Library has gone to the County Commissioners for assistance and was told that there was just no funding available causing the Library frustration.

At this time, Mr. Marmarou entered the room. (4:30)

- **Asset Inventory**

Ms. Reed inquired as to what is ours and what is insured in terms of assets.

Mr. Cituk stated that he bases his asset numbers by dollar threshold circa 2000-2002 through American Appraisal Associates, the firm that last performed an asset assessment.

Ms. Reed stated that she is concerned about partnerships and what the City’s responsibility in a partnership situation would be. She also asked how often an inventory assessment is performed.

Mr. Cituk explained that they capitalize assets every year when new items are purchased and he gave an example of squad cars.

Ms. Snyder stated that the audit that was done in 2000 should be updated.

Mr. Younger agreed and stated that it should be updated yearly, regardless, for purposes of insurance.

At this time, M. Goodman-Hinnershitz entered the room.

Mr. Zale indicated that EHD handles the City’s evaluating of assets.

- **Delinquency Collections**

Mr. Sterner asked if headway is being made on all uncollected monies due.

Ms. Snyder commented that that is a priority in 2013 and the firm was named at the December 10th Council meeting.

Mr. Marmarou stated that the same names keep surfacing in terms of money due and that there should be a way to shut them down at some point.

Mr. Spencer acknowledged that the Amnesty Program should help with delinquent collections as it has in that last Amnesty Program and that there is an ordinance to support shutting down those who continually do not pay.

Ms. Kantner stated that she has already presented the ordinance to show to non-paying persons and it resulted in them actually making the payment. Unfortunately, she indicated that businesses disappear sometimes which makes it difficult to keep tracking.

- **EMS**

Ms. Goodman-Hinnershitz stated that she wanted to address the EMS issue and asked what are the “legal requirements” pertaining to this.

Ms. Snyder stated that she believes this is an issue that needs to be addressed legislatively. She mentioned that perhaps there is an alternative transportation service that can be used.

Mr. Corcoran asked if we could incorporate BARTA in this.

Ms. Goodman-Hinnershitz explained that 211 was actually devised for these issues.

Ms. Snyder stated that this is a bigger issue than just a “City” issue; it is a regional issue.

Ms. Kelleher mentioned the possibility of outsourcing EMS to surrounding municipalities.

Mr. Sterner agreed that it would be a great initiative and suggested that these priorities be discussed administratively and through council.

- **Street Assessment/Street Lighting Assessment**

Ms. Snyder stated the need to pursue the issue of Street Light Assessment and Street Assessment in general.

- **External Audit Findings and CIP**

Ms. Snyder suggests we acquire a report of outstanding audit findings and passed legislation on the Capital Improvement Project which will put our funds and City funds to work more

efficiently for everyone.

Mr. Cituk stated that the Audit Committee is meeting in January to discuss the findings.

Pension Reform

Mr. Bembenick suggested implementing quarterly budget reporting reviews. He asked what we can do in the pension reform process that will be less costly to the city and how pension reform can be structured moving forward.

Ms. Goodman-Hinnershitz stated that we are realizing that this should all be approached on a regional basis and combine all resources available.

No other comments were made and Ms. Reed adjourned the Finance Committee at approximately 5:00pm.

Respectfully submitted by Bea Rivera, Legislative Aide

FOLLOW UP ITEMS

1. Review of CDBG Budget
2. Report on Unprogrammed Funds
3. Amendment of 2012 CDBG Action Plan
4. Quarterly report contracts under \$25K (Dec)
5. Quarterly report legal contracts (Jan)
6. End to end SR process (Jan)
7. SR Aging Report (Jan)
8. Review repeat Ext. Audit Findings (Dec)
9. Review Tax Amnesty Report (Oct)
10. Select 2013 Internal Audits (Dec)

